



STATE OF ALABAMA  
DEPARTMENT OF EDUCATION



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State Superintendent of Education

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January 16, 2019

Mr. Carl Edward Tyler, Jr., Superintendent  
Baldwin County Board of Education  
2600-A North Hand Avenue  
Bay Minette, AL 36507-4180

Dr. Matt Akin, Superintendent  
Gulf Shores City Board of Education  
P. O. Box 3908  
Gulf Shores, AL 36547

Dear Mr. Tyler and Dr. Akin:

Thank you both for your time and attention to the important matter of the Baldwin County/Gulf Shores separation agreement. Since your mutually agreed upon timeline for completion in October, I have carefully considered all the correspondence and documents provided by your respective counsels as well as the various arguments made by and among you and your staff members. Furthermore, my staff has dedicated countless hours reviewing documents and providing for an on-site informal mediation designed to resolve the few remaining issues you each identified. Although I had confidence that each side would resolve these remaining issues, unfortunately, this was not accomplished.

Therefore, in order to move forward so that the parents, students, staff, and the communities may start making meaningful plans for the upcoming school year, I have attached the final settlement agreement that includes my decisions as provided by law on all matters in my purview related to the Baldwin County/Gulf Shores separation. As I mentioned in my correspondence of December 20, 2018, I expect both boards to execute the final settlement no later than January 18, 2019, as originally declared by Dr. Ed Richardson, Interim State Superintendent of Education, in his April 20, 2018, correspondence.

To ensure that the community is not adversely impacted by any further delays, I request each of you to expeditiously encourage your Board to execute all necessary documents to ratify this important step for the continued success for the students of Baldwin County.

Sincerely,

Eric G. Mackey  
State Superintendent of Education

EGM:LAK

Attachment

THIS AGREEMENT IS MADE BY AND BETWEEN THE GULF SHORES CITY BOARD OF EDUCATION ("CITY BOARD") AND THE BALDWIN COUNTY BOARD OF EDUCATION ("COUNTY BOARD")

A. AGREED FACTS.

- 1

45 8. The CITY BOARD and the COUNTY BOARD propose to enter into an agreement  
46 to establish attendance zones and attendance policies that will balance the interests  
47 of the CITY BOARD and the COUNTY BOARD.  
48

49 9. The COUNTY BOARD and the CITY BOARD propose to enter into an agreement  
50 to address the disposition of the schools and property held by COUNTY BOARD  
51 and the employment of affected employees.  
52

53 10. The COUNTY BOARD and the CITY BOARD desire to enter into an agreement  
54 that will address, protect and provide for the present and future educational interests  
55 of students and residents of the City and Baldwin County.  
56

57 B. CONSIDERATION.  
58

59 The mutual promises and covenants of the COUNTY BOARD and the CITY  
60 BOARD as stated in this Agreement serve as its agreed consideration. Each party  
61 agrees to bind itself and its successors to the terms of this Agreement based on the  
62 exchange of consideration expressed in its provisions.  
63

64 C. DEFINITIONS.  
65

66 The following terms and phrases as used in this Agreement shall have the following  
67 meanings:  
68

69 1. Attendance Zones. Attendance zones shall be determined with reference to  
70 municipal corporate limits and county boundaries.  
71

72 2. Gulf Shores City Schools. The following schools presently in the Baldwin County  
73 School System: Gulf Shores Elementary School, Gulf Shores Middle School and  
74 Gulf Shores High School.  
75

76 3. Gulf Shores Students. Those students residing within the corporate limits of the  
77 City of Gulf Shores.  
78

79 4. County Schools. Those schools under the general administration and supervision  
80 of the COUNTY BOARD for the 2018-2019 school year, except Gulf Shores  
81 Elementary School, Gulf Shores Middle School and Gulf Shores High School.  
82

83 5. County Students. Students residing in Baldwin County other than Gulf Shores  
84 students.  
85

86 6. Students. School-age children eligible to attend grades pre-K-12, including  
87 students who are eligible to attend public school until age 21 under applicable state  
88 and/or federal law.  
89

- 90 7. Gulf Shores Feeder Pattern. The Feeder Pattern that encompasses Gulf Shores  
91 Elementary, Middle, and High Schools as of the 2018-2019 school year.  
92

93 **II. SUBSTANTIVE PROVISIONS**  
94

95 A. GENERAL ADMINISTRATION AND SUPERVISION OF GULF SHORES  
96 CITY SCHOOLS.  
97

98 The CITY BOARD shall assume responsibility for the general administration and  
99 supervision of Gulf Shores City Schools and the educational interest of the City  
100 effective June 1, 2019, subject to the terms and conditions of this Agreement.  
101

102 B. STUDENT ATTENDANCE.  
103

- 104 1. Attendance Zone. The attendance zone for Gulf Shores City Schools shall be the  
105 corporate limits of the City.  
106

- 107 2. Gulf Shores Students. All Gulf Shores Students residing in the attendance zone,  
108 defined in Section B. 1. above, may attend Gulf Shores City Schools.  
109

- 110 3. Out-of-Zone Attendance.  
111

- 112 (a) Gulf Shores Students. The CITY BOARD will provide services for all Gulf  
113 Shores Students as of June 1, 2019 except as provided in this section of this  
114 Agreement. Some Gulf Shores Students are currently enrolled and may remain  
115 in some specialized programs in the County System until completion of their  
116 public school educational program as stated below.  
117

118 The COUNTY BOARD will count those Gulf Shores Students who are  
119 currently enrolled in the IB program and who choose to stay enrolled in said  
120 program on their ADM. The COUNTY BOARD will determine if these  
121 students are transported or not. Once the student discontinues this program,  
122 he/she will forfeit his/her eligibility for this program.  
123

124 Those Gulf Shores Students who are currently enrolled in the South Baldwin  
125 Center for Technology and Aviation Center (career technical school) will be  
126 allowed to attend through graduation. The CITY BOARD will count these  
127 students on their ADM; however, the CITY BOARD will pay the COUNTY  
128 BOARD a per-pupil cost per semester for what the COUNTY BOARD expends  
129 from local funds on this specialized school. The student count for the program  
130 will be made on the 20<sup>th</sup> day after the beginning of each semester. If these  
131 students are currently transported, the CITY BOARD will assume the  
132 responsibility of transporting these students. Prior to finalizing this agreement,  
133 the COUNTY BOARD will identify to the CITY BOARD all students in  
134 specialized programs in the Gulf Shores Feeder Pattern and their grade levels.  
135

136 Currently, a Naval JROTC program is located at Gulf Shores High School. That  
137 program shall remain at Gulf Shores High School after the separation date and  
138 JROTC equipment shall remain in Gulf Shores High School. County Students  
139 currently enrolled in the program may continue to participate in the program;  
140 however, transportation shall not be provided by the CITY BOARD. The  
141 COUNTY BOARD will count County Students enrolled in the Naval JROTC  
142 program on its ADM. Students within the Gulf Shores Feeder Pattern that are  
143 not Gulf Shores Students may participate in the Naval JROTC program after  
144 the separation date.

145  
146 The CITY BOARD shall provide a virtual school program for its own students  
147 upon separation.

148  
149 (b) Students/Children of COUNTY BOARD and CITY BOARD Employees.  
150 Excluding students specifically referenced in other sections of this agreement,  
151 the CITY BOARD and the COUNTY BOARD will each establish their own  
152 policies concerning out of zone attendance by students who are children of  
153 employees of either the CITY BOARD or the COUNTY BOARD. Neither  
154 Board will be required to accept students who reside outside the system's  
155 Attendance Zone and who are children of employees of the other Board.

156  
157 (c) Either Board's Interdistrict Transfer Policy ("Board I.T.P"). Nothing in this  
158 Agreement shall prevent either Board from establishing Interdistrict Transfer  
159 Policies (also known as "out-of-district attendance policies") including, but not  
160 limited to, the transfer and attendance of younger siblings of any students  
161 referenced in this Agreement. The respective Boards involved in this  
162 Agreement are free to set their Board I.T.P.'s as they so decide as long as the  
163 admission of said students involved in said policies is not specifically governed  
164 by the terms of this Agreement.

165  
166 (d) Baldwin County Students Currently Residing in the Gulf Shores Feeder Pattern.  
167 The immediate removal of certain County Students from Gulf Shores Schools  
168 and certain Gulf Shores City Students from Baldwin County Schools is not in  
169 the best interest of students, families, communities, or the respective school  
170 systems, and appropriate measures to ease the transition of students into the  
171 respective school zones is needed and will benefit both Boards and the students  
172 they serve.

173 All Eleventh and Twelfth grade students residing in the Gulf Shores feeder  
174 pattern during the 2019-2021 school years shall attend Gulf Shores High School  
175 until their graduation or completion of their public school educational program.  
176 Baldwin County Students currently residing in the Gulf Shores Feeder Pattern  
177 and who will be a member of the 2019-2020 school year Tenth grade class and  
178 who are in compliance with all applicable policies of the COUNTY BOARD and  
179 CITY BOARD shall have the choice to attend Gulf Shores City Schools through  
180 their graduation or through completion of their public school educational

181 program; provided, however, that such County Students who withdraw, transfer,  
182 move out of or no longer reside in the Gulf Shores Feeder Pattern, or who  
183 otherwise cease attending Gulf Shores City Schools after the 2019-2020 school  
184 year will no longer be eligible to attend Gulf Shores City Schools unless admitted  
185 in accordance with and subject to Gulf Shores City Board of Education Policy.  
186 Any Baldwin County Students who wish to attend Gulf Shores City Schools  
187 currently residing in the Gulf Shores Feeder Pattern and who will be a member  
188 of the 2019-2020 school year Tenth grade class and who are in compliance with  
189 all applicable policies of the COUNTY BOARD must declare their intent to  
190 attend Gulf Shores City Schools by February 1, 2019. Failure to declare prior to  
191 February 1, 2019 will forfeit the student's ability to attend Gulf Shores City  
192 Schools pursuant to this section.

193 The COUNTY BOARD shall be responsible for transporting the students that  
194 attend Gulf Shores City Schools pursuant to this section of this Agreement. The  
195 COUNTY BOARD shall receive state transportation funding referable to said  
196 students.

197  
198 (e) Funding Distribution:  
199

200 For purposes of the Fiscal Year 2020 Foundation Program allocation and  
201 all allocations following that distribution formula as prescribed by law, the  
202 following assignments shall be utilized based on the enrollment as of the  
203 2018-19 Average Daily Membership Report (ADM):  
204

205 CITY BOARD:  
206

- 207 (a) All Kindergarten through Eighth grade students who reside  
208 within the corporate limits of the City of Gulf Shores.  
209 (b) All current ninth grade students and/or rising 10<sup>th</sup> grade  
210 students who choose to remain at Gulf Shores High School.  
211 (c) All high school students attending Gulf Shores City  
212 Schools pursuant to this agreement, no matter their  
213 residence.  
214

215 COUNTY BOARD:  
216

- 217 (a) All Kindergarten through Sixth grade students in Orange  
218 Beach Elementary School who do not reside within the  
219 corporate limits of the City of Gulf Shores.  
220 (b) All Seventh and Eighth grade students in Gulf Shores  
221 Middle School, but who reside outside the corporate limits  
222 of the City of Gulf Shores.  
223 (c) All current Ninth grade students and/or rising Tenth grade  
224 students who choose to attend Orange Beach High School.

- (d) Any other current County student not affected by this agreement.

For Fiscal Year 2021 and thereafter, calculations shall be made based on prior year attendance in accordance with standard State Department of Education practices and policy.

C. CONVEYANCE OF SCHOOL PROPERTY, FACILITIES AND OTHER PROPERTY

1. Real Property-Gulf Shores High School (Grades 9-12). The title to the Gulf Shores High School and field houses located at or near 600 East 15th Avenue, Gulf Shores, Alabama 36542 and to the tracts of real estate on which it is now located and to the fixtures and improvements associated with said school now held by the COUNTY BOARD shall on June 1, 2019 be conveyed by statutory warranty deed, fee simple title, to the CITY BOARD. Said property is described on Exhibit (A) attached hereto and made a part hereof.
2. Real Property - Gulf Shores Middle School (Grades 7-8). The title to the Gulf Shores Middle School located at 450 East 15th Avenue, Gulf Shores, Alabama 36542 and to the tract of real estate on which it is located and to the fixtures and improvements associated with said school now held by the COUNTY BOARD shall on June 1, 2019 be conveyed by statutory warranty deed, fee simple title, to the CITY BOARD. Said property is described on Exhibit (A) attached hereto and made a part hereof.
3. Real Property - Gulf Shores Elementary School (Grades Pre K-6). The title to the Gulf Shores Elementary School located at 1600 East 3rd Street, Gulf Shores, Alabama 36542 and to the tract of real estate on which it is located and to the fixtures and improvements associated with said school now held by the COUNTY BOARD shall on June 1, 2019 be conveyed by statutory warranty deed, fee simple title, to the CITY BOARD. Said property is described on Exhibit (A) attached hereto and made a part hereof.
4. Additional Matters Related to Gulf Shores High School, Gulf Shores Middle School and Gulf Shores Elementary School. The COUNTY BOARD shall assign to the CITY BOARD any warranty which is assignable according to its terms currently held by the COUNTY BOARD pertaining to facilities and other improvements related to the Gulf Shores Schools. Any retainage on construction contracts or casualty insurance proceeds for said schools will be transferred to the CITY BOARD simultaneously with the conveyance of the interests herein above described.

The COUNTY BOARD will also provide to the CITY BOARD, upon execution of this Agreement, copies of any existing land surveys or plats or building drawings or blueprints related to any property (or interest therein) transferred pursuant to this

Agreement, records related to repair and maintenance of the same and to any other environmental matters, including but not limited to, asbestos and lead-based paint. The COUNTY BOARD will also provide to the CITY BOARD immediately upon execution of this Agreement the Fixed Assets reports for the Gulf Shores Schools. In the event said reports are updated, COUNTY BOARD shall provide such updates to CITY BOARD no later than March 1, 2019. Except as otherwise set forth herein, all assets currently assigned to the said schools as indicated on the COUNTY BOARD's Fixed Asset report will become assets of the CITY BOARD not later than June 1, 2019.

5. Materials, Equipment, and Supplies; Personal Property. The COUNTY BOARD will make a good faith effort to maintain the status quo as it relates to any assets/property discussed in this section during the 2018-2019 school year beginning August 15, 2018, including during the negotiation process. Not later than June 1, 2019, a pro rata share of furniture, equipment, materials, supplies (including textbooks), and other personal property (including but not limited to technology resources, student and teacher laptops/computers, transportation equipment, vehicles of any nature, inventory, athletic equipment, musical instruments, and supplies) located in the Gulf Shores High School, Gulf Shores Middle School and Gulf Shores Elementary School as of the date of this Agreement, shall be conveyed to the CITY BOARD by bill of sale; provided, however, that specialized equipment provided to comply with a particular special education student's Individualized Education Plan (IEP) will be the property of the system where the student will attend school for the upcoming school year 2019-2020. The CITY BOARD and the COUNTY BOARD shall be responsible for taking all steps necessary to allow the CITY BOARD to assume all obligations associated with the operation of Gulf Shores Schools and property transferred under this Agreement (e.g., equipment leases, service contracts, school loans from commercial lenders); provided that payments on any such leases or service contracts are current (that is, not in default). In connection therewith, the County Board will cooperate in providing original copies (when possible) or executed copies of all such leases and contracts by February 1, 2019. The City Superintendent or his designee shall be present and active for the determination of an equitable pro rata share in the property. The City Superintendent or his designee shall also be present for the distribution of property. The COUNTY CSFO and CITY Financial Consultant or CSFO will collaboratively determine which items will not be distributed on a pro rata basis.

6. Instructional Property and Resources. The COUNTY BOARD and the CITY BOARD agree that the CITY BOARD will be responsible for continued compliance with all licenses for software currently installed on computers/electronic devices for teachers and Gulf Shores students. No data or software will be erased from teacher or student computers or electronic devices by the COUNTY BOARD. All non-transferrable software on teacher and student computers/electronic devices shall be deleted by the CITY BOARD. The COUNTY BOARD shall provide a list of said software prior to the separation date.

- 317 7. Undeveloped Real Property. Current law defines who has authority to manage 16th  
318 Section lands. The income from any 16th Section lands under the control and  
319 management of the Baldwin County Board of Education shall be shared by the  
320 county and all city school boards within the county based on the number of students  
321 in each school system. This is in keeping with original Congressional intent for  
322 granting 16th Section properties. The COUNTY BOARD will distribute such  
323 proceeds to the CITY BOARD as the CITY BOARD is entitled, no later than  
324 November 1 of each fiscal year. If at any time the 16th Section properties located  
325 within municipal boundaries of a city system are needed for a school site, the  
326 decision to consider its selection is one that is determined by the CITY BOARD,  
327 which requires approval by the State Superintendent.  
328

329  
330 D. MAINTENANCE, MANAGEMENT, AND OPERATION OF GULF SHORES  
331 SCHOOLS.  
332

333 The COUNTY BOARD will maintain, manage, and operate the Gulf Shores  
334 Schools from the date hereof until June 1, 2019 in a manner consistent with the  
335 COUNTY BOARD's prior management of the premises. The COUNTY BOARD  
336 will act reasonably with the CITY BOARD, its Superintendent, and other central  
337 office personnel with respect to all activities undertaken by the CITY BOARD to  
338 assume administration and responsibility for Gulf Shores Schools as of June 1, 2019  
339 and use its best efforts to effect the transactions contemplated by this Agreement.  
340 Until the separation date, the COUNTY BOARD shall provide reasonable and  
341 regular access to the faculty, staff, and buildings of Gulf Shores Schools  
342 coordinated between the Superintendents. Said reasonable and regular access shall  
343 not be denied without good cause.  
344

345 E. NO RECOUPMENT RELATED TO CAPITAL IMPROVEMENTS TO GULF  
346 SHORES SCHOOLS.  
347

348 After a review of the condition and construction history relative to the school  
349 buildings in Gulf Shores, the CITY BOARD does not owe the COUNTY BOARD  
350 any funds for capital improvements. This does not include those capital  
351 improvements made with the proceeds of warrant issues, QZAB warrants, or QSCB  
352 warrants as identified in Section II. M. of this Agreement. Work done could be  
353 characterized as general maintenance. These projects were no different than similar  
354 projects done throughout the district and typically have been funded from state  
355 capital purchase funds or locally generated funds for which the citizens of Gulf  
356 Shores were a more than equal contributor.  
357

358 F. TRANSPORTATION EQUIPMENT (VEHICLES).  
359

360 The COUNTY BOARD shall, on June 1, 2019, transfer, and convey to the CITY  
361 BOARD a pro rata share of the COUNTY BOARD bus fleet and bus maintenance  
362 and support vehicles. The distribution shall be made based on a formula devised by

the Alabama State Department of Education that includes overall age, fleet renewal, and mileage of the buses, with final distribution to be approved by the Alabama State Department of Education. The COUNTY BOARD shall maintain all such vehicles in operational condition until the date of transfer. In the event that any of these vehicles become inoperable or are damaged prior to the date of transfer, the COUNTY BOARD shall repair the vehicle on or before that date or replace it with a similar vehicle of equal value. In addition, the COUNTY BOARD will assure that all vehicles to be transferred to the CITY BOARD are inspected by the State Department of Education and are certified to meet all standards and requirements of the said Department for the 2019-2020 school year for vehicles used to transport students.

No later than March 1, 2019, the COUNTY BOARD will advise the CITY BOARD of the chassis numbers of the school buses that, pursuant to this Agreement, will be transferred from the COUNTY BOARD to the CITY BOARD on June 1, 2019.

G. CONDITION OF PREMISES AND PROPERTY CONVEYED.

The parties understand and agree, except as otherwise specifically provided herein, that all schools and property of any kind transferred under this Agreement shall be conveyed in an "as-is" condition as of the date of transfer, and that the COUNTY BOARD assumes no obligation whatsoever to repair or to maintain property accepted as of the transfer date. COUNTY BOARD disclaims any and all warranties of any kind, express or implied with regard to the condition or fitness of said property (real or personal) for its intended purpose or any other purpose, other than warranties of title and manufacturers' or contractors' warranties which are to be assigned to the CITY BOARD.

H. ACCESS TO GULF SHORES SCHOOLS.

The COUNTY BOARD will permit the Superintendent of the CITY BOARD to have consistent and regular access to the Gulf Shores Schools to make observations regarding possible repairs and improvements provided that the CITY BOARD submits requests for such access to the County Superintendent and recognizes that such access should not disrupt the educational environment of the said schools. Reasonable and regular access shall not be denied without good cause.

In order for the CITY BOARD to plan properly and have buildings and grounds prepared for the 2019-20 school year, the Baldwin County Superintendent will allow access to buildings outside of the regular school day. The CITY BOARD Superintendent will notify and coordinate access with the COUNTY BOARD Superintendent. CITY BOARD will be provided access to undeveloped areas to the north of existing school grounds to begin site work. Any building or property access or work must not interrupt or interfere with the student instructional program.

409 Upon the final execution of the Separation Agreement, the facilities should be left  
410 in good working order and in their current condition which should include fixtures,  
411 furnishings, equipment and other major items which have been acquired for the  
412 proper operations of the existing public schools.  
413

414 I. RISK OF LOSS.  
415

416 The COUNTY BOARD agrees to maintain present levels of insurance coverage in  
417 force on all property to be transferred under the terms of this Agreement, through  
418 May 31, 2019. In the event of an insured loss occurring prior to or on that date, the  
419 COUNTY BOARD shall transfer or assign any insurance proceeds to which it is  
420 entitled as a result of such loss to the CITY BOARD. The COUNTY BOARD shall  
421 have no obligation to provide insurance coverage of any kind after June 1, 2019 on  
422 Gulf Shores Schools or any of the other assets transferred to CITY BOARD as  
423 provided herein.  
424

425 J. PERSONNEL.  
426

- 427 1. Employment. Due to the reshuffling of student attendance zones, the Gulf  
428 Shores City Schools will have reduced teacher units for the 2019-2020 school  
429 year and will need to reduce other school personnel accordingly prior to June  
430 1, 2019. As much as is practicable, teachers and personnel should be given the  
431 opportunity to choose whether to continue working in Gulf Shores City Schools  
432 or to continue employment with the COUNTY BOARD.  
433

434 Any teachers or other personnel currently employed in Gulf Shores City schools  
435 who wish to continue employment with the COUNTY BOARD shall request a  
436 transfer to another school within Baldwin County subject to COUNTY BOARD  
437 policy.  
438

439 In addition to transfer requests, natural attrition through retirements,  
440 resignations, and non-renewals will alleviate some pressure for teacher limits  
441 and other personnel. With respect to Gulf Shores Middle and High Schools  
442 only, after choice and natural attrition, if there remains a statistical disparity  
443 between the pro rata shares assigned to either the CITY BOARD or the  
444 COUNTY BOARD, the teachers shall be awarded their school system of choice  
445 in order of seniority until the respective pro rata shares are achieved. Seniority  
446 shall be defined by total amount of years consecutively employed with the  
447 COUNTY BOARD. Any other remaining personnel not contemplated herein  
448 shall be treated as addressed above. In the event transfer requests and natural  
449 attrition does not rectify the statistical disparity between the pro rata shares of  
450 teachers between the two Boards by April 1, 2019, the process for allowing  
451 choice by seniority shall begin no later than April 15, 2019.  
452

453 Any employment contract involving Principals employed as of the date of this  
454 Agreement shall be honored by the COUNTY BOARD consistent with all the

455 terms and conditions of said contracts. The CITY BOARD shall be responsible  
456 to select and contract with its own Principals.  
457

- 458 2. Continuing Service Status. The CITY BOARD will not jeopardize the  
459 continuing service status obtained by any certified teacher or non-probationary  
460 classified employee while employed by the COUNTY BOARD because of the  
461 assumption of responsibility for Gulf Shores Schools. For the purpose of this  
462 section, the time frame for hiring by the CITY BOARD shall be defined as the  
463 beginning of the new City School System until June 1, 2019.  
464

465 3. Terms of Employment.  
466

- 467 (a) Job Information. The CITY BOARD will provide job information (salary  
468 and benefits) to any employees expressing an interest in being employed by  
469 the CITY BOARD. The CITY BOARD salary schedule will provide  
470 salaries at no less than the state minimum salary schedule for the 2019-2020  
471 school year, plus any increases provided by the State. In no instance will  
472 the salary rate be less than the existing salary of affected personnel.  
473

- 474 (b) Responsibilities for Salaries. The COUNTY BOARD will continue to pay  
475 salaries and benefits of employees whose contracts are assigned to the CITY  
476 BOARD under this Agreement for work performed through the end of the  
477 2018-2019 school year.  
478

- 479 (c) Payroll Obligation of COUNTY BOARD and CITY BOARD. Both the  
480 COUNTY BOARD and the CITY BOARD operate on an October 1st to  
481 September 30th fiscal year. Funding for employees at Gulf Shores City  
482 Schools is normally provided to the COUNTY BOARD through September  
483 30, 2019. Because the COUNTY BOARD has and will receive all state and  
484 federal funds from the State Department of Education ("SDE") for Fiscal  
485 Year 2019, the COUNTY BOARD would normally be responsible for  
486 funding the payment of salaries and benefits for all state-earned positions  
487 and all federal positions assigned to Gulf Shores City Schools for the  
488 remainder of the 2018-2019 Fiscal Year. For the months June, July, August  
489 and September 2019, the Alabama State Department of Education will  
490 divide the Foundation Program allocation from Baldwin County, and assign  
491 and distribute to the CITY BOARD its pro rata share of Foundation  
492 Program funds based on Fiscal Year 2020 calculations.  
493

- 494 4. Personnel Files. Copies of personnel and payroll records for all employees  
495 that could potentially be assigned to Gulf Shores City Schools for the 2019-  
496 2020 school year (after the separation) shall be made available for copying  
497 and inspection to the CITY BOARD, at the CITY BOARD's expense, prior to  
498 February 1, 2019.  
499

- 500 5. Itinerant Teachers. Itinerant teachers and support staff who work at both Gulf  
501 Shores City Schools and County Schools outside of Gulf Shores through the  
502 end of the 2018-2019 school year, and whose contract is not terminated or non-  
503 renewed by the COUNTY BOARD, will remain employed by the COUNTY  
504 BOARD unless hired by the CITY BOARD.  
505

506 K. COUNTY BOARD ASSETS.  
507

508 The CITY BOARD relinquishes all claims to all other assets of the COUNTY  
509 BOARD except those assets described in this Agreement.  
510

511 L. LOCAL TAXES AND REVENUES.  
512

- 513 1. Countywide Ad Valorem Taxes. Beginning October 1, 2019, the net  
514 proceeds of the following ad valorem taxes levied on a countywide basis in  
515 Baldwin County shall be allocated, apportioned and distributed between the  
516 COUNTY BOARD and the CITY BOARD as directed by State law  
517 (presently, Section 16-13-31(b) of the Code of Alabama of 1975, which  
518 provides that the allocation, apportionment and distribution of countywide  
519 taxes shall be on the basis on which Foundation Program moneys are  
520 allocated, apportioned and distributed within the County) :  
521

- 522 (a) the countywide ad valorem tax levied pursuant to Section 1 of Amendment  
523 No. 3 of the Alabama Constitution, as amended, which is currently being  
524 levied and collected at the rate of three (3.0) mills;  
525

- 526 (b) the countywide ad valorem tax levied pursuant to Amendment No. 202 to  
527 the Alabama Constitution, which is currently being levied and collected at  
528 the rate of one (1.0) mill; and  
529

- 530 (c) the countywide ad valorem tax levied pursuant to Amendment No. 162 of  
531 the Alabama Constitution, which is currently being levied and collected at  
532 the rate of five (5.0) mills and the proceeds of which are to be used for  
533 public school purposes;  
534

535 2. Countywide Sales and Use Taxes:  
536

537 Beginning June 1, 2019, the net proceeds of the privilege, license, and  
538 excise taxes ("Sales and Use Taxes") in Baldwin County exclusively for  
539 public school purposes pursuant to Section 40-12-4 of the Code of Alabama  
540 1975 as amended, and the ordinances and resolutions of the County  
541 Commission first adopted on December 20, 1988 and is levied at the rate of  
542 two percent (2%) shall be allocated, apportioned and distributed between  
543 the COUNTY BOARD and the CITY BOARD as directed by the State law  
544 (presently, Section 16-13-31(b) of the Code of Alabama of 1975, which  
545 provides that the allocation, apportionment and distribution of countywide

546 taxes shall be on the basis on which Foundation Program moneys are  
547 allocated, apportioned and distributed within the County).

- 548  
549 3. District Ad Valorem Tax: Beginning October 1, 2019, the net proceeds of  
550 the district ad valorem tax levied within the corporate limits of the city of  
551 Gulf Shores pursuant to Section 2 of Amendment No. 3 to the Alabama  
552 Constitution, which is currently being levied and collected at the rate of 3  
553 mills shall be apportioned and distributed to the CITY BOARD.

554  
555 4. Miscellaneous Revenues.

- 556  
557 (a) Commencing June 1, 2019, the net revenues from the sale of "Helping  
558 Schools" vehicle tags shall be distributed in accordance with the applicable  
559 provisions of the Code of Alabama (Section 32-6-300 and Section 32-6-  
560 301, which provide that the net proceeds from the sale of such tags be  
561 distributed "... to the school district designated by the purchaser, or if the  
562 purchaser does not make a designation, to the school district in which the  
563 funds were generated, to be used for the purchase of classroom supplies and  
564 equipment for grades K through 12 of the public schools in the school  
565 district").

- 566  
567 (b) Commencing June 1, 2019, the net revenues from taxes levied either by the  
568 State of Alabama or by Baldwin County on tobacco products, on malt or  
569 brewed beverages and other alcoholic beverages, business license taxes, the  
570 proceeds from pari-mutuel betting in the County and severance taxes shall  
571 be apportioned between the COUNTY BOARD and the CITY BOARD on  
572 the same basis as the proceeds of the countywide ad valorem taxes are  
573 apportioned (that is, on the same basis as Foundation Program funds are  
574 allocated, apportioned and distributed).

- 575  
576 (c) Commencing June 1, 2019, the registration fee for manufactured homes  
577 shall be distributed as provided in the Code of Alabama (Section 40-12-  
578 255).

- 579  
580 (d) Commencing June 1, 2019, the amounts paid to the COUNTY BOARD that  
581 are derived from payments made to the County in-lieu-of-taxes shall be  
582 apportioned between the COUNTY BOARD and the CITY BOARD on the  
583 same basis as Foundation Program funds are allocated, apportioned and  
584 distributed.

585  
586 5. Other Local Revenues.

587  
588 The above provisions do not preclude the CITY BOARD's right to pursue  
589 other local revenues or taxes that may currently exist or may be created in  
590 the future.  
591

M. ASSUMPTION OF DEBT BY CITY BOARD.

The CITY BOARD shall assume full responsibility for payment of its pro rata share of the COUNTY BOARD'S current long-term indebtedness in the principal amount of Ten Million Ninety Thousand, Five Hundred Seventy-Five and 73/100 Dollars (\$10,090,575.73) pursuant to the schedule attached as Exhibit \_\_\_\_:

1. The CITY BOARD shall assume that portion of the PSCA Series 2009D (QSCB) outstanding balance reflecting that bonded indebtedness that pertains to construction and facilities improvements to Gulf Shores Elementary School and Gulf Shores Middle School in the amount of Sixty-Nine Thousand Nine Hundred Seventy-Seven and 31/100 Dollars (\$69,977.31) as determined by the Alabama State Department of Education. The CITY BOARD will make these debt service payments in accordance with the payment schedule provided by the Alabama Department of Education and as reflected on Exhibit \_\_\_\_.
2. The CITY BOARD shall assume that portion of the PSCA Series 2011A (QZAB) outstanding balance reflecting that bonded indebtedness that pertains to construction and facilities improvements to Gulf Shores Elementary School and Gulf Shores Middle School in the amount of One Hundred Forty-Nine Thousand Nine Hundred Ten and 41/100 Dollars (\$149,910.41) as determined by the Alabama State Department of Education. The CITY BOARD will make these debt service payments in accordance with the payment schedule provided by the Alabama Department of Education and as reflected on Exhibit \_\_\_\_.
3. The CITY BOARD shall assume that portion of the Series 2007 Local Warrant Issue (partially refunded in 2015 with remaining refunded in 2017) outstanding balance reflecting that bonded indebtedness that pertains to construction and facilities improvements to Gulf Shores Elementary School, Gulf Shores Middle School and Gulf Shores High School in the amount of Nine Million Eight Hundred Seventy Thousand Six Hundred Eighty Eight and 01/100 Dollars (\$9,870,688.01). The CITY BOARD will remit payments to the COUNTY BOARD pursuant to the Payment Schedule attached as Exhibit \_\_\_\_ to this Agreement. At a future date to be determined at its discretion, the CITY BOARD reserves the right to prepay the balance of the current principal and interest owed at such time on the Series 2007 Local Warrant Issue, to the extent that such prepayment does not result in the interest on such warrants being subject to bonded income taxation.
4. No other bonded indebtedness will be assigned to the CITY BOARD by the COUNTY BOARD.

N. MISCELLANEOUS MATTERS.

1. (a) Local School Account Fund Balances. The COUNTY BOARD agrees that actual local school account fund balances shall remain with individual Gulf Shores Schools or be transferred to the CITY BOARD by June 1, 2019 on a pro rata basis. The County CSFO and Gulf Shores Financial Consultant will collaboratively determine which accounts balances should remain totally in Gulf Shores.
- (b) Child Nutrition Program Account Balance. The Child Nutrition Program account balance for each of the Gulf Shores schools as of May 31, 2019 (net of June, July, and August indirect cost, June, July and August gross payroll benefits, and state pass-through revenue) shall be transferred to CITY BOARD.
2. Utility Payments. The COUNTY BOARD shall be responsible for payment of utility bills (telephone, electricity, water, natural gas) for utility services rendered to Gulf Shores Schools through the separation date.
3. Contracts or Agreements Related to Gulf Shores Schools. By February 1, 2019, the COUNTY BOARD shall identify and produce to the CITY BOARD for reproduction, executed copies of all contracts or agreements between the COUNTY BOARD and any third party under which Gulf Shores Schools are bound. The COUNTY BOARD shall execute assignments of all such contracts, agreements, and/or transferable grants in favor of the CITY BOARD to the extent the contracts or agreements are assignable. With respect to contracts or agreements which are not assignable without the consent of a third party, the COUNTY BOARD will identify said contracts so that the CITY BOARD can acquire said consent from said third party.
4. Liability. The CITY BOARD shall have no liability or responsibility for any act, omission, accident, event, or occurrence in or related to Gulf Shores Schools or the COUNTY BOARD's School System, its property, employees, and agents which occur before June 1, 2019. The COUNTY BOARD shall have no liability or responsibility for any act, omission, accident, event or occurrence in or related to Gulf Shores Schools or the CITY BOARD, its property, employees and agents which occur on or after May 31, 2019. By April 15, 2019, the COUNTY BOARD shall notify, in writing, the CITY BOARD of any act, omission, accident, event or

684 occurrence in or related to the Gulf Shores Schools of which the  
685 Superintendent has knowledge, which has resulted, or may result in a claim  
686 of liability or responsibility on the part of the COUNTY BOARD. The  
687 COUNTY BOARD shall provide updated information about any additional  
688 accidents, events or occurrences happening after April 15, 2019 until the  
689 transfer date of June 1, 2019.  
690

- 691 5. Records. The COUNTY BOARD will provide such information, reports,  
692 records and files which it is required to provide hereunder in the form in  
693 which it maintains such data including records, including providing such  
694 records in electronic format if it maintains the records in such format.  
695

696 **III. GENERAL PROVISIONS**  
697

698 A. ENTIRE AGREEMENT.  
699

700 This Agreement constitutes the final and entire understanding and agreement  
701 between the parties hereto with respect to the subject matter hereof, and supersedes  
702 all prior negotiations, understandings, representations, and agreements between the  
703 parties, written or oral.  
704

705 B. MODIFICATION.  
706

707 This agreement may not be modified or amended except by written agreement  
708 signed by both parties or upon order of a court of competent jurisdiction.  
709

710 C. BINDING EFFECT.  
711

712 The terms, provisions, and conditions stated herein shall extend to, be binding upon,  
713 and inure to the benefit of the parties hereto and their successors.  
714

715  
716 D. DISPUTE RESOLUTION.  
717

718 The parties shall endeavor to resolve any dispute arising out of or related to this  
719 Agreement by mediation with the State Superintendent of Education and/or his  
720 designee.  
721

722 E. SEVERABILITY.  
723

724 If any clause, phrase, sentence, paragraph, or provision of this Agreement shall be  
725 invalidated by a court of competent jurisdiction, it is the intent of the parties hereto  
726 that such invalidation shall not affect the validity of any other clause, phrase,  
727 sentence, paragraph, or provision thereof.  
728  
729

F. TITLES.

The titles appearing in this Agreement are for reference only and shall not be considered a part of this Agreement or in any way modify, amend, or affect the provisions hereof.

G. RELATIONSHIP OF THE PARTIES.

This Agreement creates no agency relationship between the Parties hereto, and nothing herein contained shall be construed to place the Parties in the relationship of partners or joint venturers, and neither party shall have the power to obligate or bind the other in any manner whatsoever.

H. PARTIES IN INTEREST.

Nothing in this Agreement, expressed or implied, is intended to confer upon any third person any rights or remedies under or by reason of this Agreement.

I. MUTUAL COOPERATION.

The COUNTY BOARD and the CITY BOARD agree to cooperate in all matters required to implement and accomplish the terms and tenor of this Agreement.

J. COMPLIANCE WITH STATE AND FEDERAL LAW.

The COUNTY BOARD and the CITY BOARD acknowledge and agree that this Agreement is intended to comply with the laws of Alabama and the United States of America.

Signature page to immediately follow.

775 IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed  
776 by their duly authorized representative on this the \_\_\_\_\_ day of \_\_\_\_\_, 2019.  
777

778  
779  
780 GULF SHORES CITY BOARD OF EDUCATION

781  
782  
783 By: 

784 KEVIN S. CORCORAN  
785 President, Gulf Shores City Board of Education  
786

787  
788 By: 

789 R. NASH CAMPBELL  
790 Attorney, Gulf Shores City Board of Education  
791

792  
793 By: 

794 DR. MATTHEW AKIN  
795 Superintendent,  
796 Gulf Shores City Board of Education  
797

798  
799 BALDWIN COUNTY BOARD OF EDUCATION  
800

801  
802 By: \_\_\_\_\_

803 CECIL CHRISTENBERRY, Board President  
804

805  
806 By: \_\_\_\_\_

807 EDDIE TYLER, Superintendent  
808

809  
810  
811  
812  
813 Approved By:

814 \_\_\_\_\_  
815 Dr. Eric Mackey  
816  
817 ALABAMA STATE SUPERINTENDENT OF EDUCATION  
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